

**In the Specification:**

Please amend the specification as follows:

Please replace paragraph [0027] with the following amended paragraph:

[0027]       The present invention relates to methods and system for  
5       distributing image capture devices, such as cameras, and images,  
including digital images and prints. One embodiment of the present  
invention (the system which is shown in Figure 13) advantageously  
provides cameras **5**, such as digital cameras or film cameras, to  
consumers **10** for free or at a reduced or discounted cost. ~~An~~ A retail  
10       camera provider 15, a camera kiosk 20, an image print  
house/developer/photofinisher 25, print order taker 50, a camera  
manufacturer 30 or other entity (hereinafter referred to as camera  
provider) 20 or 30 may provide the camera **5**. The consumer 10 is in  
communication with the camera providers through a contractual interface  
15       13. The contractual interface 13 provides a communication channel  
through which one of the camera providers that is communicating with the  
consumer 10 offers the camera 5 free or at a reduced or discounted cost  
for a commitment that a certain number of image reproduction or prints 35  
are to be purchased by the consumer 10 and/or by others associated with  
20       the consumer 10. In exchange, in one embodiment, the consumer 10  
makes a commitment or contract 12 that a certain number of image

reproduction or prints ~~35~~ with are to be purchased by the consumer ~~10~~  
and/or by others. Thus, consumers ~~10~~ benefit, as their initial financial  
outlay for a camera ~~5~~ is reduced or eliminated. In addition, as will be  
described in detail below, friends and family members benefit, as they can  
view and/or order reproduction of pictures ~~35~~ taken by the consumer ~~5~~  
using a networked ~~40~~ terminal. Image reproduction companies ~~25~~ that  
provide prints ~~35~~ or other image reproductions also benefit, as they can  
expect that a certain number of image reproductions will ordered for each  
camera ~~5~~ provided, thereby ensuring a more predictable cash flow.

Please replace paragraph [0028] with the following amended paragraph:

[0028] In one embodiment, a consumer **10** is provided with a digital  
camera **5** at a discounted price in exchange for a commitment to purchase  
a certain number of prints **35** or otherwise spend a certain amount of  
money with the camera provider ~~15~~ or a designated entity ~~20, 30, or 35~~,  
where the discount may range up to 100% of the camera price, so that the  
camera is "free." The commitment or contract **12** as created through the  
contractual interface **13** between the consumer **10** and the camera  
provider may include a commitment to purchase the prints over a  
predetermined amount of time. The discount may be increased in  
exchange for a commitment **12** to buy an increased number of prints **35**.  
Thus, for example, if a large enough commitment is made, the camera **5**  
may be given to the consumer **10** with no up-front payment.

Please replace paragraph [0033] with the following amended paragraph:

[0033] In one embodiment, the consumer can specify which print house or vendor **25** should be used to provide the prints **35**. Optionally, the print house **25** selection may be restricted to those listed by the camera provider ~~**15** or a related entity~~ and defined within the contract **12** as created through the contractual interface **13** between the consumer **10** and the camera provider. A discount for prints may be offered when the consumer **10** selects certain designated or eligible print houses **25**. In one embodiment, the consumer **10** may elect, by activating an appropriate Web page link or the like in communication with a consumer's personal computer **45** through the network **40**, to have the print order taker **50** select the print house **25** which will result in the lowest cost per print. Further, for an additional fee, the consumer **10** may optionally select a print house **25** not listed by the camera provider **15**. The additional fee may be a fiat fee for an entire order and/or a fee per print ordered.

Please replace paragraph [0050] with the following amended paragraph:

[0050] To further ensure that the consumer meets his or her commitment as defined in the contract **12** to order a certain number of reproductions, the consumer may be required to ~~have~~ provide through the contractual interface **13** a credit card and/or to provide authorization to charge the credit card or other financial instrument associated with the consumer a selected amount should the consumer fail to fulfill the commitment, before

providing the camera **5**. Alternatively, the consumer may optionally  
prepay the cost of the committed to reproductions. Thus, for example, if  
the consumer has agreed to purchase 500 prints within a year at a cost of  
30¢ a print, the consumer can prepay \$150, and so does not have to be  
5 concerned about meeting any order commitments **12**.

Please replace paragraph [0054] with the following amended paragraph:

[0054] In addition, to help subsidize the cost of the camera **5** and/or prints  
**35** to consumers **10** and to increase the income to the image reproduction  
companies **25**, camera provider **15**, and/or other related entities **20**,  
10 advertising supplied by an advertising provider, such as promotional offers  
or discount coupons, may be provided with prints **35** or other forms of  
image reproduction delivered to consumers **10**. The advertising provider  
is in communication with the consumer database **27** to determine  
appropriate advertisements to be delivered to the consumer **10**. The  
15 advertising may be printed on the image reproduction, such as on the front  
or back of prints or on a border around the image reproduction, or may be  
otherwise associated or attached on the image reproduction. For  
example, in one embodiment, an advertisement or coupon may be  
provided as a tear-off or otherwise separable attachment to a hard copy  
20 print **35**. If the image reproduction is printed on an item of clothing, such  
as a tee shirt, or on a cup, a corresponding advertisement may likewise be  
printed or, the clothing or cup. For electronic images viewable on a

networked display, the advertisements or coupons may include a link to the Web site of the sponsor of the advertisement or coupon. The advertisement may be animated to further call viewers' attention to the advertisement.

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Please replace paragraph [0061] with the following amended paragraph:

[0061] Another form of camera distribution may be via an automated or human-staffed kiosk ~~30 20~~. In the case of an automated kiosk ~~30 20~~, in one embodiment the cameras **5** are stored in locked compartments. Once a user initiates a rental, for example, by swiping a credit card into an appropriate reader and agreeing, via an interactive terminal, to certain contract terms **12**, a compartment door opens and the user **10** can retrieve the camera **5** stored within. The rental fee may be a fixed amount charged for a predetermined rental period, or may be a daily rate which accrues with each day of rental.

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Please replace paragraph [0064] with the following amended paragraph:

[0064] When the consumer **10** is in communication with one of the camera providers through the contractual interface **13** for the offering of the camera **5** and the commitment of the consumer **10** for the purchase of the requisite number of image reproduction or prints **35** to create the contract **12**, the consumer **10** creates provides certain user information **14** that

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5 establishes a user profile. During the sign up process through the  
contractual interface 13 and throughout the use of the camera 5 and  
orders of reproductions by the consumer 10, a consumer profile is built up,  
and transferred to a customer database 27. The user information 14 that  
is used create the consumer profile as retained by the customer database  
27 advantageously may include one or more of the following:

1. Name.
2. Customer identification code.
3. Mailing Address.
- 10 4. Billing Address.
5. E-mail address.
6. Other contact information (phone numbers, fax numbers,  
etc.).
7. Billing information, including credit card information.
- 15 8. Preferred printing portal vendors or photofinisher.
9. Reprint / enlargement size preference.
10. Reprint / enlargement size preference finish (glossy, matte,  
etc.) preference.

11. Camera brand, type, and specifications.

12. Internet service type and connection speed.

13. Contract data: picture development and reproduction  
counters, number of prints remaining to meet contract  
commitment.

14. Security settings, unlocking keys, activation code.

15. Usage pattern information.

Please replace paragraph [0065] with the following amended paragraph:

[0065] This consumer profile data may be used to provide more efficient  
service, with better accuracy, and to more fully meet consumers'  
expectations. Thus, the profile data includes conventional information,  
such as contact information and billing information, as well as information  
on the preferred or default sizes and finishes for prints, and the preferred  
printing or photofinisher vendor. Thus, when the consumer uploads  
images and/or places an order, the consumer's preferences will be used  
as defaults, subject to changes by the consumer, saving the consumer the  
time and trouble of reentering the data.

Please replace paragraph [0068] with the following amended paragraph:

[0068] Additionally, contract data as generated by the contractual interface 13 for the contract 12, including picture development and reproduction counters used to track reproduction purchases from the ~~customer~~ consumer 10 as well from others purchasing reprints of the images from the customer, is stored within the customer database 27 as part of the profile and updated as needed. The number of prints remaining to meet the contract commitment is further tracked and updated as purchases of reproductions are made. Security settings, unlocking keys or codes, and camera activation codes are stored as well. Usage pattern information, which track camera usage information and print order patterns, may be included in the profile as well. The content and use of such usage pattern information is discussed in greater detail below.

Please add the following new paragraph after paragraph [0027]:

[0027.1] The contractual interface 13 may be a face to face encounter between the consumer 10 and the retail camera provider 15. The contractual interface may be a toll free telephone conversation between the consumer 10 and a fulfillment house or telecommunications operator that is under the auspices of the retail camera provider 15, the print order taker, 50, the camera manufacturer or the print house 25. The conversation may be over a global digital communication system (internet). The interface could result from a form filled out in a kiosk made available by the camera provider. Additionally, the interface could be



made through a catalog or a direct mailing. These are examples of some of the ways that one could establish this contractual interface.

[0027.2] The consumer **10** makes a commitment to purchase a certain number of image reproduction or prints **35** for which the camera provider commits to the give the camera **5** for free or to sell of the camera **5** reduced or at a discounted cost. A contract **12** is created and the camera is transferred from the camera provider to the consumer **10** through the contractual interface **13**. The contract **13** may define the period during which the reprints must be purchased and allow persons associated with the consumer eg. friends or family **10** to also purchase reprints and receive credit under the commitment.

[0027.3] Thus, consumers **10** benefit, as their initial financial outlay for a camera **5** is reduced or eliminated. In addition, as will be described in detail below, friends and family members benefit, as they can view and/or order reproduction of pictures **35** taken by the consumer **5** using a networked **40** terminal. Image reproduction companies **25** that provide prints **35** or other image reproductions also benefit, as they can expect that a certain number of image reproductions will ordered for each camera **5** provided, thereby ensuring a more predictable cash flow.